

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION

IN RE:

CAH ACQUISITION COMPANY 16, LLC
d/b/a HASKELL COUNTY COMMUNITY
HOSPITAL,

Debtor.

Case No. 19-01227-5-JNC

Chapter 11

LITIGATION TRUSTEE'S OBJECTION TO CLAIM NUMBER 101
FILED BY LADONNA JOHNSON

Thomas W. Waldrep, Jr., in his capacity as Litigation Trustee (the "Trustee") of the estate of CAH Acquisition Company 16, LLC d/b/a Haskell County Community Hospital (the "Debtor"),¹ by and through his undersigned counsel, hereby files this objection (the "Objection") to the Proof of Claim Number 101 (the "Claim"), filed by creditor LaDonna Johnson ("Ms. Johnson") on April 18, 2023, in the amount of \$2,327.16 and in support of this Objection shows as follows:

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).
2. Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory predicates for the relief sought herein are 11 U.S.C. § 502 and Bankruptcy Rules 3001 and 3007.

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to them in the *Amended Chapter 11 Plan of Orderly Liquidation* (the "Plan") [Dkt. No. 643], a true and correct copy of which as amended at the Confirmation Hearing is attached to the *Findings of Fact, Conclusions of Law, and Order Approving Amended Chapter 11 Plan of Orderly Liquidation* (the "Confirmation Order") [Dkt. No. 704].

BACKGROUND

A. General Background

4. The Debtor filed a petition for relief on March 17, 2019 (the “Petition Date”).

5. On December 7, 2020, the Court entered the Confirmation Order confirming the Plan. [Dkt. No. 704]. The Effective Date of the Plan occurred on May 31, 2022. [Dkt. No. 853].

6. The Plan and Confirmation Order established a litigation trust (the “Litigation Trust”) pursuant to which, among other things, “[o]n the Effective Date, and in accordance with the Confirmation Order, the Estate’s title to all the Assets shall automatically pass to the Litigation Trust, free and clear of all Claims and Equity Interests in accordance with Section 1141 of the Bankruptcy Code.” Plan, Article VII(C).

7. Pursuant to the Plan and Confirmation Order, the Court shall retain exclusive jurisdiction over the Chapter 11 Case, “including jurisdiction to issue any other Order necessary to administer the Estate or the Litigation Trust Estate and enforce the terms of the Plan, and/or the Litigation Trust Agreement[.]” Confirmation Order, Article XI; Plan, Article X.

B. Ms. Johnson’s Claim

8. Ms. Johnson filed Proof of Claim No. 101 on April 18, 2023 for priority wages in the amount of \$2,327.16.

9. The Trustee objects to the Claim as untimely. The Claim was filed well after the deadline of July 16, 2019 for filing proofs of claims as stated in the Notice of Chapter 11 Bankruptcy Case [Dkt No. 6].

10. Pursuant to the Plan and Confirmation Order, Art. II, Section A of the confirmed Plan defines an “Allowed Claim” as a claim that is “timely and properly filed”. As Ms. Johnson’s

Claim was filed over three years after the claims bar date, it would not be an “Allowed Claim” under the confirmed Plan.

11. By objecting to the Proof of Claim for the reasons set forth herein, the Trustee is not waiving any other basis for objection to the Claim, in the event the Court finds any basis for allowing the Claim.

RELIEF REQUESTED

14. By this Objection, pursuant to 11 U.S.C. §502(b)(9), the Trustee respectfully requests entry of an order disallowing the Claim.

WHEREFORE, the undersigned Trustee prays that said Claim as above set forth be disallowed and for such other and further relief as is just and proper.

This, the 9th day of June, 2023.

**WALDREP WALL BABCOCK
& BAILEY PLLC**

/s/ Jennifer B. Lyday

Thomas W. Waldrep, Jr. (NC State Bar No. 11135)

Jennifer B. Lyday (NC State Bar No. 39871)

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Attorneys for Litigation Trustee

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NOTICE OF LITIGATION TRUSTEE'S OBJECTION TO CLAIM NUMBER 101
FILED BY LADONNA JOHNSON

PLEASE TAKE NOTICE that Thomas W. Waldrep, Jr., in his capacity as Litigation Trustee (the "Trustee") of the estate of CAH Acquisition 16, LLC d/b/a Haskell County Community Hospital (the "Debtor"), by and through undersigned counsel, has filed an objection to Proof of Claim No. 101 (the "Objection").

Your claim may be reduced, modified, or eliminated. You should read the Objection carefully and discuss it with your attorney. If you do not have an attorney, you may wish to consult with one.

If you do not want the Court to eliminate or change your claim, then on or before **July 12, 2023**, you or your attorney must file with the Court, pursuant to Local Rule 9014-1, a written response, an answer explaining your position, and a request for hearing at:

U.S. Bankruptcy Court, P.O. Box 791, Raleigh, NC 27602.

If you mail your response to the Court for filing, you must mail it early enough so that the Court will **receive** it on or before the date stated above.

You must also send a copy to:

1. Thomas W. Waldrep, Jr., Litigation Trustee, 370 Knollwood Street, Suite 600, Winston-Salem, NC 27103;

2. Bankruptcy Administrator, 434 Fayetteville Street, Suite 640, Raleigh, NC 27601;
3. CAH Acquisition 16, LLC d/b/a Haskell County Community Hospital, 401 NW H St, Stigler, OK 74462; and
4. Rayford K. Adams, III, Spilman Thomas & Battle, PLLC, 110 Oakwood Drive, Suite 500, Winston-Salem, NC 27103.

PLEASE TAKE FURTHER NOTICE that, if a response and a request for hearing is filed in writing on or before the date set above, a hearing will be conducted on the Objection to your claim at a date, time and place to be later set and all parties will be notified accordingly.

PLEASE TAKE FURTHER NOTICE that, if you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the Objection to your claim. The Court may grant the relief requested in the Objection without a hearing. No further notice will be given. Claimants are urged to contact John Van Swearingen via email (trustee@waldrepwall.com) if additional information can be furnished to resolve any dispute concerning the allowance of your claim.

TAKE FURTHER NOTICE THAT any corporation filing a response **MUST** be represented by Legal Counsel at the hearing.

This, the 9th day of June, 2023.

**WALDREP WALL BABCOCK
& BAILEY PLLC**

/s/ Jennifer B. Lyday

Thomas W. Waldrep, Jr. (NC State Bar No. 11135)
Jennifer B. Lyday (NC State Bar No. 39871)
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Attorneys for Litigation Trustee

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing **LITIGATION TRUSTEE'S OBJECTION TO CLAIM NO. 101 FILED BY LADONNA JOHNSON** and **NOTICE OF LITIGATION TRUSTEE'S OBJECTION TO CLAIM NO. 101 FILED BY LADONNA JOHNSON** have been filed electronically in accordance with the Local Rules and were served upon the following by electronic means on those entities that have properly registered for such electronic service, or by depositing same in a postage prepaid, properly addressed envelope into the United States mail:

VIA CM/ECF

Rayford K. Adams, III on behalf of Debtor

Jason L. Hendren on behalf of Trustee Thomas W. Waldrep, Jr.

Rebecca F. Redwine on behalf of Trustee Thomas W. Waldrep, Jr.

Benjamin E.F.B. Waller on behalf of Trustee Thomas W. Waldrep, Jr.

James C. Lanik on behalf of Trustee Thomas W. Waldrep, Jr.

Jennifer B. Lyday on behalf of Trustee Thomas W. Waldrep, Jr.

Thomas W. Waldrep, Jr. on behalf of Trustee Thomas W. Waldrep, Jr.

Brian Behr, Bankruptcy Administrator

Kirstin E. Gardner on behalf of Bankruptcy Administrator

Brian R. Anderson on behalf of Suzanne Koenig and SAK Management Services, LLC

Charles N. Anderson on behalf of Blue Cross Blue Shield of Oklahoma

Paul A. Fanning on behalf of Cohesive Healthcare Management and Consulting, LLC

Neal Fowler on behalf of Centers for Medicare and Medicaid Services

Lauren A. Golden on behalf of Department of Health and Human Services

William P. Janvier on behalf of Boa Vida Foundation, Inc.

George M. Oliver on behalf of Sherwood Partners, Inc.

Nancy A. Peterman on behalf of Suzanne Koenig

William Walt Pettit on behalf of Complete Business Solutions Group, Inc. and Ryan Stumphauzer as Receiver for Complete Business Solutions Group, Inc.

Ross A. Plourde on behalf of Cohesive Healthcare Management and Consulting, LLC

Michael J. Quinn on behalf of Department of Health and Human Services

Brian H. Smith on behalf of Complete Business Solutions Group, Inc.

VIA U.S. MAIL

LaDonna Johnson
40919 E. Old 9 Road
Keota, OK 74941

This the 9th day of June, 2023.

**WALDREP WALL BABCOCK &
BAILEY PLLC**

/s/ Jennifer B. Lyday

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Jennifer B. Lyday (NC State Bar No. 39871)

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